



*Office of the United States Attorney
Eastern District of Kentucky
James A. Zerhusen, Acting United States Attorney*

**Lexington Man Sentenced to 66 Months and Must Pay
Nearly \$1,000,000 in Restitution for Arson**

FOR IMMEDIATE RELEASE
May 28, 2008
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LEXINGTON, Ky. — A Lexington man, 35-year-old Stephen Gregory Malcolm, was sentenced today to 66 months in prison and ordered to pay \$971,362, 26 in restitution for starting a fire that injured a women and nearly wiped out historic buildings on St. Claire Street in Frankfort, Ky.

“The Frankfort City Fire Department should be commended for their outstanding fire suppression efforts on the night of the fire. Their quick action not only saved important historical structures, but most likely saved lives,” said Special Agent in Charge of Alcohol, Tobacco, Firearms and Explosives (ATF) for the Louisville Division Paul Vido.

Malcolm pled guilty in October of last year in front of U.S. District Court Judge Karen K. Caldwell and admitted to maliciously damaging and destroying buildings by fire on March 4, 2007. Malcolm also acknowledged that he drove from Lexington to Frankfort early that morning, lit a phone book on fire, and placed it under the stairwell in the vestibule of a building.

The victim, who stated in an interview with authorities that she was in the process of terminating a relationship with Malcolm, placed the call to 911. The victim was later treated for smoke inhalation. Investigation revealed that the fire destroyed and damaged 14 adjacent businesses including “The Downtown Bar,” “Serafini’s Restaurant,” “Tink’s Bar-b-que” and the “Brick Alley” bar.

Under federal law, Malcolm must serve 85 percent of his prison sentence, and, upon release, will be under the supervision of the United States Probation Office for three years.

James A. Zerhusen, Acting United States Attorney for the Eastern District of Kentucky, Paul J. Vido, Special Agent in Charge, Bureau of Alcohol, Tobacco, Firearms, and Explosives, (ATF- Louisville Division), and Frankfort Police jointly made the announcement today after the sentencing. The United States was represented by Assistant United States Attorney James E. Arehart.

“This complex investigation and successful prosecution was a result of the hard work of the investigative team made up members from ATF, the Frankfort Police Department, the U. S. Attorney’s Office, the State Fire Marshal’s Office, and the overwhelming support we received from the people of Frankfort” said Vido.

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